MENORANDUM FOR THE RECORD

25X1A

Subject : Contract No.

and Task Order No. 1 thereunder

Reference: Memo from Assistant Executive Officer, DDP

To Chief, PD/OL, dated 5 September 1958

1. Referenced Nemo from Requisitioning Component advises that the Security classification of Association SECRET, on the R&D program under **no longer** 25X1A5a1 Tank Order No. 2 to Contract No. applies and sets forth the reasons therefor. The Memo further requests that a new Unclassified Base Contract and Task Order No. 1 thereunder be 25X1A5a1written with covering the remaining unclassified portion of the program and that these new documents incorporate the Security Manual "Industrial Security Standards for Safeguarding Classified Material". This Manual sets forth certain requirements which the Contractor is to follow when he receives classified material under an Unclassified Task.

- 2. The requested new Contract and Task Order is necessary in order that Security aspects of other Task Orders under Contract be jeopardized.
- 3. It has been agreed with that Task Order No. 2, Contract No. 25X1A5a1 will bear a termination date of October 24, 1958 (Amendment No. 2 25X1A to Task Order No. 2 will effect the termination) and the new Contract No. and Task Order No. 1 thereunder will bear the effective dates 25X1A of October 24, 1958 and October 25, 1958, respectively, in order that there will be no interruption of the program.
- 4. Prior to receipt of referenced News, a meeting was held with then Deputy Comptroller and C/TAS for the purposes 25X1A9a of clarifying any funding problem. Representatives of Procurement Division, ICAB, Budget Office, and Mr. Dick Chapelle of GAO attended the meeting. It was determined at this time that due to continuation of the program without interruption, the remaining existing monies, from Fiscal Years 1957 and 1958 appropriations, obligated for the program, will be utilized under the new Contract and it is not necessary to transfer the applicable unvouchered funds to vouchered funds. Mr. Chapelle did stipulate that the terms and provisions of the new Contract and Task Order be identical, except for security requirements, with those set forth under Task Order No. 2, Contract No. the new documents have been drafted accordingly.

25X1A

25X1A9a

DOS 18 NEW DATE (VOI / 84 01899 5 ORIG CLASS 5 PAGES 3/1/ AUTH: H NEXT REV 2011 AUTH: HR 10-2

5. Certain classified papers formerly contained in the Contract file jacket for Task Order No. 2, Contract No. 25X1A transferred to Task Order No. 1, Contract No. 25X1A in order that the file may be as complete as possible.

6. Information copies of this <u>Memo for the Record</u> are being sent to interested components in an effort to prevent any misunderstandings in the administration of the subject Contract and Task Order.

Contract Negotiator

25X1A9a

25X1A **Distribution:**

25X1A9a

25X1A9a

25X1A9a

COMPENIAL